

Testimony Submitted to the Human Services Committee:

In Support of H.B. No. 6947: An Act Concerning State Contracts for Human Services

Submitted By: Julie Erickson, Senior VP, CCARC, Inc.

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Senator Moore, Representative Abercrombie and distinguished members of the Human Services Committee, my name is Julie Erickson and I am the Senior VP at CCARC, Inc. located in New Britain. CCARC is a non-profit agency that supports approximately 200 individuals with developmental disabilities. CCARC is committed to providing quality services to enhance individuals' lives, promote and develop their abilities and provide opportunities for community involvement. We achieve these objectives through Day and Residential Services, Recreational Programs and Self Advocacy.

I would like to share my support for H.B. 6947, An Act Concerning State Contracts for Human Services. This bill asks the Governor and legislators to appropriately fund nonprofit providers by reviewing reimbursement rates and cost standards every two years to adjust rates for inflation or Consumer Price Index (CPI) growth. This change to the contracting process is necessary because the state has failed to adequately fund nonprofit providers for the last two decades and most recently, issued four rounds of rescissions since November 2012, forcing many nonprofits to close, compete against one another for scarce resources, layoff employees, reduce benefit packages; altogether creating a win or lose system that weakens the entire nonprofit sector and threatens its sustainability.

This bill aims at reversing a troubling and unacceptable trend and will go a long way toward strengthening a severely weakened system. While any increase in funding may seem impossible in these tough budget years, policymakers simply can't afford not to do this. Our employees are some of the hardest working professionals across the state and have had to bear the burden of underfunding, going years without salary increases while simultaneously watching benefit packages deteriorate. Consequentially, many of us struggle to keep a quality workforce, as we experience high turnover with employees considering state employment or similar jobs providing higher wages and better benefits. In turn, high turnover adversely affects the clients we serve who have grown comfortable with their Direct Support staff. Without this funding increase, many nonprofit providers may have to reduce services which would likely result in your constituents travelling farther, paying more, waiting longer for programs, if not losing services altogether; and for nonprofits in your communities to close their doors. The reality is

that the health and human service nonprofit providers have been continuously underfunded over the past two decades, pushing many of us to our breaking point.

This legislation makes a commitment to properly invest in the nonprofit sector, a commitment the state has already made through 1,585 POS contracts serving approximately 500,000 residents (15% of the population). I urge you to vote in favor of this bill. Investing in the nonprofit sector will improve service delivery, increase economic activity, and save taxpayer money; a “win-win” for policymakers working to strengthen the economy, the nonprofit workforce trying to make ends meet, and most importantly, the clients and their families who count-on efficient, cost-effective, and high-quality services.

Thank you again for your time and consideration. Please do not hesitate to contact me with any questions, or for additional information.

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